

~~CONFIDENTIAL~~ 29743-A ~~FILE~~

APR 11 '11 -2 30 PM

~~CONFIDENTIAL~~ SURFACE TRANSPORTATION BOARD

COX | SMITH

ATTORNEYS

Denise M. Drake

ddrake@coxsmith.com

210 554 5291

April 8, 2011

Via FedEx Overnight

Cynthia Brown, Chief
Office of Administration
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Re: Recordation of Assignment of Leases and Rents and Other Income

Dear Ms. Brown:

I have enclosed an original and one copy/counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is an assignment of a lease, a primary document, dated April 6, 2011.

The names and addresses of the parties to the documents are as follows:

Borrower:

Rio Grande Chemical, Ltd., a Texas limited partnership
901 Lindberg
McAllen, Texas 78502

Lender:

Compass Bank, an Alabama state banking corporation
3900 N. 10th Street
McAllen, Texas 78501

A description of the equipment covered by the document follows:

1. Seventeen (17) Covered Hopper Railcars, car mark and numbers RGCX 733 to RGCX 749, as more particularly described in Railcar Net Leasing Agreement, dated April 21, 1997 with Rider No. 1 – Exhibit A, by and between Rio Grande Chemical, Ltd., a Texas limited partnership (formerly known as Rio Grande Chemical Sales Company) (Lessor) and Cementos Apasco, S.A. de C.V., a Mexican mercantile corporation (Lessee); and
2. Fifty (50) Covered Hopper Cars, car mark and numbers RGRX 1900 to RGRX 1949, as more particularly described in Railcar Net Leasing Agreement, dated April 1, 2004 with Rider No. 11 – Exhibit A, by and between Rio Grande Chemical, Ltd., a Texas limited partnership (Lessor) and Halliburton Energy Services, Inc., a Delaware corporation (Lessee).

COX SMITH MATTHEWS INCORPORATED

112 E. 11th Street | Suite 1800

Austin, TX 78701

TEL: 512 554 5291 | FAX: 512 554 5292

COXSMITH.COM

AUSTIN DALLAS EL PASO MCALLEN SAN ANTONIO

3363150.3

Cynthia Brown
April 8, 2011
Page 2

A fee of Forty and One/100 Dollar (\$41.00) is enclosed. Please return the original and any extra, file-stamped copies not needed by the Commission for recordation to Denise M. Drake at 112 East Pecan Street, Suite 1800, San Antonio, Texas 78205-1521.

A short summary of the document to appear in the index follows:

"Assignment of Leases and Rents and Other Income between Rio Grande Chemical, Ltd., a Texas limited partnership, and Compass Bank, an Alabama banking corporation, organized and existing under the laws of the State of Alabama, dated effective April 6, 2011 and covering (i) seventeen (17) out of two hundred (200) Covered Hopper Cars, car mark and numbers RGCX 733 to RGCX 749, and (ii) fifty (50) out of one hundred (100) Covered Hopper Cars, car mark and numbers RGRX 1900 to RGRX 1949."

Yours truly,

A handwritten signature in black ink that reads "Denise M. Drake". The signature is written in a cursive, flowing style.

Denise M. Drake

Encls.

EXHIBIT A

RECORDATION NO. 29743-A FILED

APR 11 '11 -2 30 PM

ASSIGNMENT OF LEASES AND RENTS AND OTHER INCOME

TRANSPORTATION BOARD

THIS ASSIGNMENT is made effective this 6 day of April, 2011, by RIO GRANDE CHEMICAL, LTD., a Texas limited partnership ("Borrower"), whose address is 901 Lindberg, McAllen, Texas 78501, to COMPASS BANK, an Alabama banking corporation, organized and existing under the laws of the State of Alabama ("Lender"), whose address is 3900 N. 10th Street, 2nd Floor, McAllen, Texas 78501.

1. The Property. Borrower is the owner of that certain personal property described in Exhibit "A" attached hereto and incorporated herein by this reference (such personal property being hereinafter referred to as the "Property").

2. The Loan Instruments. Borrower has executed the promissory note (as the same may be modified, extended, renewed, rearranged, replaced or increased from time to time, herein collectively called the "Note") of even date herewith in the principal sum of Three Million Eighty Thousand and No/100 Dollars (\$3,080,000.00) payable to the order of Lender, which Note is secured by a Security Agreement (the "Security Agreement"), of even date herewith, this Assignment of Leases and Rents and Other Income, (the Note, all instruments securing payment of the Note, and all other documents executed or furnished by Borrower in connection with the loan evidenced by the Note, being hereinafter referred to collectively as the "Loan Instruments"). The terms "Note", "Security Agreement" and "Loan Instruments" shall be deemed to include any and all modifications, amendments, extensions, renewals and substitutions thereof.

3. Assignment. As an inducement to Lender to make the loans evidenced by or referred to in the Loan Instruments, Borrower hereby assigns, sells, conveys, and sets over unto Lender all of Borrower's right, title, and interest in and to:

3.1. All those leases now or hereafter affecting all or any part of the Property (among other property), together with any and all extensions or renewals of any of said leases, including, but not limited to, those leases described on the attached Exhibit "B"; and

3.2. Any and all guarantees of the lessee's obligations under said leases; and

3.3. Any and all deposits (whether for security or otherwise), rents, issues, profits, revenues, royalties, contract rights, and benefits of every nature of and from the Property

(all such leases, guarantees, contract rights, benefits, and other property and property interests being hereinafter referred to collectively as the "Leases").

4. Warranties as to Leases. Borrower represents, warrants, and covenants that it now is the absolute owner of the Leases, with full right and title to assign the same and the rents, income, and profits due or to become due thereunder; that any existing Leases are valid, in full force and effect, and have not been modified or amended, except as stated herein; that there is no outstanding assignment or pledge thereof or of the deposits (for security or otherwise), rents, income, and profits due or to become due thereunder; that to its knowledge there are no existing defaults under the terms thereof on the part of any party thereto; and that, except as otherwise expressly set forth in the Leases, no rents, income, or profits payable thereunder have been or will be hereafter anticipated, discounted, released, waived, compromised, or otherwise

discharged without Lender's prior written consent, such consent not to be unreasonably withheld, delayed, conditioned or denied. Borrower also represents, warrants, and covenants that, except as otherwise disclosed to Lender, all lessees under the Leases are paying rent on fully executed Leases.

5. Covenant to Defend Actions. Borrower shall, at Borrower's sole cost and expense, appear in and defend any action or proceeding arising under, growing out of, or in any manner connected with any Leases or the obligations, duties, or liabilities of the lessor or lessee thereunder, and shall pay all reasonable documented, out-of-pocket costs and expenses, including attorneys' fees, which Lender may incur in connection with Lender's appearance, voluntary or otherwise, in any such action or proceeding.

6. Lender Rights as to Leases and Rents. This is a current, direct and absolute assignment, and Lender shall have the right, at its option, and after the occurrence of an uncured Event of Default, to take possession of the Property affected by any Lease and to perform all acts necessary for the operation and maintenance of such Property in the same manner and to the same extent that Borrower might reasonably so act. In furtherance of the foregoing, and not by way of limitation, Lender is empowered, but shall have no obligation, to collect the rents, income, and profits accruing under any Lease, to enforce payment thereof and the performance of any and all terms and provisions thereof, to exercise all the rights and privileges of Borrower thereunder, including the right to fix or modify rents, to demand and sue for possession of the Property covered by any Lease, and to relet such Property and collect the rents, income, and profits accruing by reason of such reletting. Lender shall from time to time apply the net income derived under any Leases, after payment of all proper costs and charges (including any loss or damage of the nature referred to in Section 9 hereof, and including reasonable attorneys' fees and other costs of collection) to any sums then due Lender under the Loan Instruments, in such order as Lender may elect, but Lender shall in no event be accountable for any moneys not actually received by Lender pursuant hereto.

7. License to Borrower Until Default. Unless there shall have been a default by Borrower in the payment or performance of any obligation contained in, secured by, or referred to in the Loan Instruments that has continued beyond any applicable notice or cure period (a "Default"), Borrower shall have a license (which license shall terminate automatically and without further notice upon the occurrence of a Default) to collect, but not prior to accrual, the rents, issues and profits under the Leases and, where applicable, subleases, such rents, issues and profits to be held in trust for Lender and to otherwise deal with all Leases as permitted by this Assignment. Each month, provided no Default has occurred, Borrower may retain such rents, issues and profits as were collected that month and held in trust for Lender; provided, however, that all rents, issues and profits collected by Borrower shall be applied first to the payment of principal and interest and all other sums due and payable hereunder and under the Loan Instruments. Upon the revocation of such license, all rents, issues and profits shall be paid directly to Lender and not through Borrower, all without the necessity of any further action by Lender, including, without limitation, any action to obtain possession of all or any portion of the Property or any action for the appointment of a receiver. After the occurrence of an uncured Default, Borrower hereby authorizes and directs the lessees under the Leases to pay rents, issues and profits to Lender upon written demand by Lender, without further consent of Borrower, without any obligation of such lessees to determine whether a Default has in fact occurred and regardless of whether Lender has taken possession of any portion of the Property, and the lessees may rely upon any written statement delivered by Lender to the lessees. Any such payments to Lender shall constitute payments to Borrower under the Leases, and Borrower hereby irrevocably appoints Lender as its

attorney-in-fact to do all things, after an uncured Default, which Borrower might otherwise do with respect to the Property and the Leases thereon, including, without limitation, (i) collecting rents, issues and profits with or without suit and applying the same, less expenses of collection, to any of the obligations or sums due hereunder or under the Loan Instruments or to expenses of operating and maintaining the Property (including reasonable reserves for anticipated expenses), at the option of the Lender, all in such manner as may be determined by Lender, (ii) leasing, in the name of Borrower, the whole or any part of the Property, and (iii) employing agents therefor and paying such agents reasonable compensation for their services. The curing of such Default, unless other Defaults also then exist, shall entitle Borrower to recover its aforesaid license to do any such things which Borrower might otherwise do with respect to the Property and the Leases thereon and to again collect such rents, issues and profits. The powers and rights granted in this paragraph shall be in addition to the other remedies herein provided for upon the occurrence of a Default and may be exercised independently of or concurrently with any of said remedies. Nothing in the foregoing shall be construed to impose any obligation upon Lender to exercise any power or right granted in this paragraph or to assume any liability under any Lease of any part of the Property and no liability shall attach to Lender for failure or inability to collect any rents, issues and profits under any such Lease.

8. Authorization to Lessees. Borrower hereby irrevocably agrees and directs that, after the occurrence of an uncured Default, the lessee under any Lease shall, upon demand and notice from Lender that Lender has revoked the license contained in Section 7 hereof, pay all rents, income, and profits under such Lease to Lender without liability on the part of such lessee for determining the validity or propriety of Lender's revocation of such license, and notwithstanding any claim by Borrower that Lender's revocation of such license is invalid or improper. Borrower shall have no claim against any such lessee for any rents or other sums paid by such lessee to Lender.

9. No Responsibility Until Possession. Prior to Lender's actual taking possession of the Property immediately affected by any Lease, this Assignment shall not operate to place responsibility upon Lender for the condition, safety, control, care, management, or repair of such Property. Nothing contained herein shall be construed to bind Lender at any time to the performance of any of the terms or provisions contained in any Lease. Borrower agrees to indemnify and hold Lender harmless of and from any and all claims, liabilities, losses, expenses, or damages which Lender may incur under any Lease, or by reason of this Assignment.

10. Borrower to Perform and Enforce Leases. Borrower shall perform, both before and after any revocation by Lender of the license contained in Section 7 hereof, all of Borrower's covenants, agreements, and obligations as lessor under any Leases, and shall not suffer or permit to occur any release of liability of any lessee or the accrual of any right in any lessee to withhold any rent or other sum payable under the terms of any Lease. Borrower shall give prompt notice to Lender of any notice of default received from any lessee, and shall furnish Lender with a copy of any such notice. If requested by Lender, Borrower shall enforce each Lease and all remedies available to Borrower against the lessee thereunder in the event of any default by such lessee.

11. No Impairment of Lender's Interests. Borrower shall not make any other or further assignments of any Lease or of any interest therein, or of any of the rents payable thereunder. Borrower shall not modify or amend the terms of any guaranty of any Lease or cancel or terminate any such guaranty, nor consent to the assignment of any Lease, or any subletting thereunder, without the prior written consent of Lender, which consent shall not be unreasonably withheld.

12. **Lender's Rights to Perform.** In the event Borrower shall fail to make any payment or to perform any act required of Borrower under the terms hereof, then after prior notice and opportunity to cure as set forth in the Loan Instruments (without waiving any rights of Lender under the provisions of Section 13 hereof) Lender may, but shall not be obligated to, without notice to or demand on Borrower, and without releasing Borrower from any obligation hereof, make or perform the same in such manner and to such extent as Lender may deem necessary to protect the security hereof, including specifically, without limitation, appearing in and defending any action or proceeding purporting to affect the security hereof or the rights or powers of Borrower or Lender, performing or discharging any obligation, covenant, or agreement of Borrower under any Lease, and, in exercising any of such powers, paying all necessary costs and expenses, employing counsel, and incurring and paying reasonable attorneys' fees. Any sum advanced or paid by Lender for any such purpose shall be immediately due and payable to Lender by Borrower, and shall bear interest at the Default Rate (as that term is defined in the Note) from the date paid or advanced by Lender until repaid by Borrower.

13. **Cross Default Provision.** Subject to notice and cure rights set forth in the Loan Instruments, any default by Borrower in the performance or observance of any covenant or condition hereof shall be deemed a default or event of default under each of the Loan Instruments, entitling Lender to exercise all or any remedies available to Lender under the terms of any or all Loan Instruments, and any default or event of default under any other Loan Instrument shall be deemed a default hereunder, entitling Lender to exercise any or all remedies provided for herein.

14. **No Waiver.** Failure by Lender to exercise any right which it may have hereunder shall not be deemed a waiver thereof unless so agreed in writing by Lender, and the waiver by Lender of any default by Borrower hereunder shall not constitute a continuing waiver or a waiver of any other default or of the same default on any future occasion.

15. **Rights of Successors to Lender.** Lender shall have the right to assign all of Borrower's right, title, and interest in any or all Leases (to the extent of the interests therein conferred upon Lender by the terms hereof) to any subsequent holder or owner of the Note or other Loan Instruments, or to any person who shall acquire title to the Property through foreclosure or otherwise. From and after the acquisition of title to the Property by any person, through foreclosure or conveyance in lieu of foreclosure, no assignee of Borrower's interest in any Lease shall be liable to account to Borrower for the rents, income, and profits thereafter accruing.

16. **Effect of Releases of Security Agreement.** The execution of any valid release of the Security Agreement shall operate as a release of this Assignment in favor of the then owner of the Property, provided that the execution of any valid partial release of said Security Agreement shall operate as a release hereof only with respect to that portion of the Property thereby released from said Security Agreement, the term "Property" as used herein being deemed thereafter to refer only to that portion of the Property remaining encumbered by said Security Agreement, and the term "Borrower" as used herein being deemed thereafter to refer only to the owner or owners of such remaining portion of the Property. Notwithstanding anything to the contrary contained herein, if, in the event of a foreclosure of the Security Agreement, less than the full amount then owing under the Note is bid at any resulting foreclosure sale, this Assignment shall not be released but shall remain in full force and effect after such foreclosure sale and shall continue to secure any and all amounts owing under the Note.

17. Notices. All notices or other communications required or permitted to be given pursuant to this Assignment shall be in writing and shall be considered as properly given if sent by overnight courier delivery, or by delivering the same in person to the intended addressee. Notice given by overnight courier shall be effective the next business day following its deposit with the courier service. Notice given in any other manner shall be effective only if and when received by the addressee. Any notices delivered hereunder shall be addressed to the following unless otherwise notified in accordance herewith:

Lender:

Compass Bank
3900 N. 10th Street, 2nd Floor
McAllen, Texas 78501
Attn: Commercial Loan Department

With a copy to:

Kerry T. Benedict
Cox Smith Matthews Incorporated
112 E. Pecan, Suite 1800
San Antonio, Texas 78205

Borrower:

Rio Grande Chemical, Ltd.
901 Lindberg
McAllen, Texas 78501
Attn: Paul G. Veale, Jr.

18. Lender Affidavits of Debt Due. The affidavit of any officer of Lender stating that any part of the indebtedness secured hereby remains unpaid shall constitute conclusive evidence of the validity, effectiveness, and continuing force of this Assignment, and any person may and is hereby authorized to rely upon such affidavit.

19. Rights Cumulative. The rights and remedies of Lender under this Assignment are cumulative and are not in lieu of, but are in addition to, any other rights or remedies which Lender shall have under the Note, the Security Agreement, or any other Loan Instrument.

20. Binding Effect. The provisions of this Assignment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

21. Severability. If any provision under this Assignment shall be invalid, illegal, or unenforceable, it shall not affect or impair the validity, legality, and enforceability of any other provision of this Assignment.

22. Amendment. This Assignment may not be amended, modified, or changed, nor shall any waiver of any provision hereof be effective, except only by an instrument in writing signed by the party against whom enforcement of any waiver, amendment, change, modification, or discharge is sought.

23. Captions. The captions and headings in this Assignment are for convenience only and shall not be considered in interpreting the provisions of this Assignment.

24. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the United States and of the State of Texas.

25. No Construction Against Preparer. This Assignment has been prepared by Lender and its professional advisors and reviewed by Borrower and its professional advisors. Lender, Borrower, and their separate advisors believe that this Assignment is the product of all of their efforts, that it expresses their agreement, and that it should not be interpreted in favor of either Lender or Borrower or against either Lender or Borrower merely because of their efforts in preparing it.

[Signatures Appear on the Following Page]

IN WITNESS WHEREOF, Borrower has executed this Assignment of Leases and Rents and Other Income on the date first above written.

Lender:

COMPASS BANK, an Alabama banking corporation

By: Robert T. McDaniel
Name: Robert T. McDaniel
Title: City President

Borrower:

RIO GRANDE CHEMICAL, LTD.,
a Texas limited partnership

By: Rio Grande Chemical (GP), L.L.C.,
a Texas limited liability company, its
general partner

By: Paul G. Veale, Jr.
Name: Paul G. Veale, Jr.
Title: Manager

[Acknowledgments Appear on Following Page]

THE STATE OF TEXAS

COUNTY OF Hidalgo

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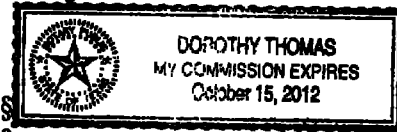
This instrument was acknowledged before me this 6 day of April, 2011, by Paul G. Veale, Jr., Manager of Rio Grande Chemical (GP), L.L.C., as the general partner of Rio Grande Chemical, Ltd., a Texas limited partnership, on behalf of said limited partnership.



THE STATE OF TEXAS

COUNTY OF Hidalgo

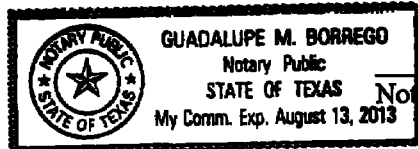
Dorothy Thomas
Notary Public, State of Texas



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§

This instrument was acknowledged before me this 7th day of April, 2011, by Robert McDaniel, City President of Compass Bank, an Alabama banking corporation, on behalf of said corporation.

[SEAL]



Guadalupe Borrego
Notary Public, State of Texas

EXHIBIT "A"

Property Descriptions

1. Seventeen (17) Covered Hopper Railcars, car mark and numbers RGCX 733 to RGCX 749, as more particularly described in Railcar Net Leasing Agreement, dated April 21, 1997 with Rider No. 1 – Exhibit A, by and between Rio Grande Chemical, Ltd., a Texas limited partnership (formerly known as Rio Grande Chemical Sales Company) (Lessor) and Cementos Apasco, S.A. de C.V., a Mexican mercantile corporation (Lessee).
2. Fifty (50) Covered Hopper Cars, car mark and numbers RGRX 1900 to RGRX 1949, as more particularly described in Railcar Net Leasing Agreement, dated April 1, 2004 with Rider No. 11 – Exhibit A, by and between Rio Grande Chemical, Ltd., a Texas limited partnership (Lessor) and Halliburton Energy Services, Inc., a Delaware corporation (Lessee).

EXHIBIT "B"

Description of Existing Leases

Lease 1: Railcar Net Leasing Agreement, dated April 21, 1997 with Rider No. 1 – Exhibit A (but only as it applies to the 17 railcars marked RGCX 733 to RGCX 749), by and between Rio Grande Chemical, Ltd., a Texas limited partnership (formerly known as Rio Grande Chemical Sales Company) (Lessor) and Cementos Apasco, S.A. de C.V., a Mexican mercantile corporation (Lessee) and proceeds thereof.

Lease 2: Railcar Net Leasing Agreement, dated April 1, 2004 with Rider No. 11 – Exhibit A (but only as it applies to the 50 railcars marked RGRX 1900 to RGRX 1949), by and between Rio Grande Chemical, Ltd., a Texas limited partnership (Lessor) and Halliburton Energy Services, Inc., a Delaware corporation (Lessee) and proceeds thereof.

AFFIDAVIT OF TRUE AND CORRECT COPY



STATE OF TEXAS §
 §
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared DENISE M. DRAKE, known to me to be a credible person, who, being by me first duly sworn, upon her oath stated as follows:

“My name is Denise M. Drake. I am over twenty-one (21) years of age, of sound mind and fully competent to execute this Affidavit.

On April 8, 2011, I personally compared the copy of the Assignment of Leases and Rents and Other Income, dated April 6, 2011 between Rio Grande Chemical, Ltd., a Texas limited partnership, as Borrower, and Compass Bank, an Alabama banking corporation, as Lender, attached hereto and incorporated herein as Exhibit A, to the original and found the copy to be complete and identical in all respects to the original document.”

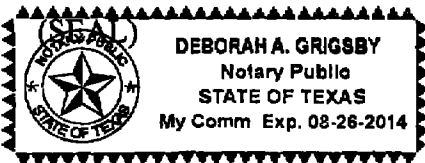
I do hereby certify that the copy of Exhibit A attached hereto is the copy referred to in the foregoing affidavit.

I do hereby certify under penalty of perjury that the foregoing is true and correct.

Denise M. Drake
Signature of Affiant

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

SWORN TO, SUBSCRIBED AND ACKNOWLEDGED to before me, on this 8th day of April, 2011, to certify which witness my hand and seal of office.



De Grigsby
Notary Public in and for the State of Texas
Printed Name: _____
My Commission Expires: _____

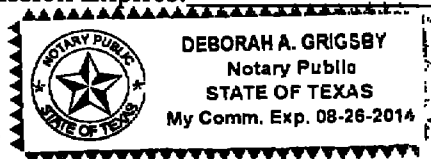


Exhibit A – Assignment of Leases and Rents and Other Income